

Facility Services

Thomas Miller, Director

MISSION STATEMENT

To manage Placer County property assets in a responsible manner that maximizes the useful life, the economic opportunity, and the occupancy of buildings, including the following: real property leasing, maintenance and custodial services, infrastructure improvements, and acquisitions and divestitures; all conducted with appropriate fiscal and management oversight.

Appropriation	Budget 2003-04	Position Allocations	Recommended 2004-05	Position Allocations
Building Maintenance	\$ 6,009,517	77	\$ 6,039,178	77
Property Management (Enterprise Fund) *	4,961,077	5	4,868,289	5
Administration & Support	594,423	12	648,759	12
Total:	<u>\$ 11,565,017</u>	<u>94</u>	<u>\$ 11,556,226</u>	<u>94</u>

* Amounts include total operating expenses and fixed assets

CORE FUNCTIONS

Building Maintenance

Provides a broad range of building maintenance, construction, and custodial services, and pays for site utilities (electrical, gas, sewer and water) to facilities owned or leased by Placer County. Proactive maintenance and cleaning of Placer County facilities protects the health of the building occupants, provides a comfortable atmosphere for conducting county business, and protects the County's investment in facilities.

Property Management (DeWitt Development Enterprise Fund)

Provides a variety of real estate services, including leasing, property management, and acquisitions and divestitures of real property. This asset management activity generates revenue from, and provides stewardship over, Placer County real-property assets, and provides comprehensive public information regarding these assets.

Administration & Support

Provide management and administrative support to the operating divisions of the Facility Services Department in carrying out the policy directives of the County Executive Office (CEO) and the Board of Supervisors; and assure the department functions in the most appropriate, effective and efficient manner possible in providing services to the public and other county departments.

FY 2003-04 Major Accomplishments

- Completed accessibility improvements/sidewalks to the Auburn Memorial Hall, C, F and 2nd Streets in the DeWitt Center.
- Installed new siding and re-installed windows on the rear of the Foresthill Community Center extending the useful life span of this facility.
- Completed major remodel of the new Assessor's offices in Tahoe City.
- Completed major remodel of the Tahoe Administration building in Tahoe City.

Facility Services

Thomas Miller, Director

- Installed energy-efficient lighting systems in the Main Jail, Central Kitchen, and other office space in DeWitt Center in continued efforts of reducing energy usage.
- Installed ten charging stations for electric vehicles throughout DeWitt Center.
- Installed ten new efficient HVAC equipment to county office space to reduce energy usage.
- Resurface of the Foresthill Memorial Hall parking lot.
- Completed the real-property acquisition and other associated transactions to secure the South Placer Justice Center property located in Roseville.
- Completed the sale of surplus county property on Epperle Lane (the Old Juvenile Hall site).
- Completed a Placer Legacy acquisition of the 961 acre Spears Ranch property, which will become a key element of the County Parks System.
- Completed acquisition of the Health and Human Services Tahoe Clinic property in Kings Beach.
- Managed all aspects of the County's occupancy in 53 leased buildings comprising 224,260 square feet. These leases represent an annual county expenditure of \$3.15 million dollars in rent. Management entails reviewing routine and emergency issues diligently and in a timely manner, calculating rental adjustments, tracking and negotiating lease renewals, and coordinating departmental occupancy of these facilities.
- Continued to manage the DeWitt Center as a productive county asset by maintaining a 93% occupancy rate in the original buildings. These 67 leases, comprising 205,520 square feet of space, generate annual revenues of approximately \$824,650 used to fund infrastructure and improvement projects in the complex.

FY 2004-05 Planned Accomplishments

- Continue efforts to upgrade county facilities to provide safety improvements. Specific improvements are planned for Second Street and Third Street.
- Install new modular office and ramp at the Animal Control facility.
- Continue HVAC equipment upgrades/replacements and lighting upgrades to help curtail rising energy costs.
- Continue identifying and improving Americans with Disabilities Act (ADA) accessibility to county facilities.
- Complete the acquisition of several properties for Placer Legacy, including Didion Ranch near Auburn and the Gould Property in Cisco Grove.
- Complete trail easement negotiations and real property acquisitions for a trail which is planned to follow the North Fork of the American River.
- Complete the sale of surplus county property on Maple Street in Auburn.
- Provide superior customer service throughout the leasing process, beginning with the location of a facility through to departmental occupancy. Goals include the rapid identification of alternatives, seamless integration of consultants to efficiently provide tenant-improvement design services, and effective e communications to keep client departments apprised throughout the process.

Facility Services

Thomas Miller, Director

Department Comments

The Building Maintenance Division is responsible for maintaining and cleaning county facilities. The budget constraints for FY 2004-05 present significant challenges in providing acceptable levels of service. The department is confident that maintenance levels will be maintained by redirecting efforts from project-related work, and by identifying and implementing strategies to improve efficiencies. Custodial service levels may be decreased as a result of decreased revenues; however, the department will work to cost-effectively provide service levels that ensure clean, healthy work environment for county staff and the public. The department continues to emphasize the importance of training for staff to meet the challenge of keeping up with evolving technologies, particularly in the HVAC, fire suppression/detection, and security areas.

The Property Management Division faces similar challenges in absorbing mandated increases in salaries and benefits, while meeting the commitments of an expanding workload. This fiscal year, the retirement of a key staff member has complicated the addition of Placer Legacy acquisition projects, which include responsibilities that are outside the historical workload of the division. The Spears Ranch acquisition and Epperle sale projects consumed significant staff resources, while the division continued to perform required property-management services associated with 53 private leases and 67 leases in the DeWitt Center. To enable Facility Services to track and forecast county electricity costs, the division has requested funding to implement a utility management software system. A key element of this system is its integration with Electronic Data Interchange (EDI) software, which will permit Facility Services staff to receive, audit and pay approximately 400 PG&E bills, without the necessity of manual key-entry. The flexibility of EDI, as a generic platform for financial communication, permits its ultimate expansion to include most departments and a wide variety of vendors including Aventis, McKesson Drug, Graybar Electric, and Unisource.

County Executive Comments And Recommendations

The recommended *Building Maintenance* budget represents no net increase over FY 2003-04. The department's cost saving strategy incorporates reductions in service levels and deferral of non-essential projects, equipment purchases and vehicle replacements to achieve the recommended target budget. The department proposes to achieve the base budget by absorbing significant increases in labor and related costs, including employee benefits and workers compensation. Seven allocated positions (three maintenance and four custodial positions) currently unfilled or proposed for retirement will remain vacant. Recommended expenditures will cover increased employee group insurance and workers compensation for active employees plus significant increases in refuse disposal costs. Increases are offset by reductions in maintenance materials and supplies and county professional services due to deferral of non-essential maintenance projects. Recommended professional services will fund ongoing routine maintenance, a contract to meet more stringent fire-system inspection and maintenance requirements, funding to reroof the Tahoe Administrative Center, and maintenance of the HVAC systems at the Auburn Main Jail, Juvenile Hall and County Finance and Administration Building (FAB). Requested but not recommended is the acquisition of a forklift (\$30,000) that was approved for purchase in late FY 2003-04 after the department's requested budget was submitted. Utilities constitute a majority of the services and supplies budget and although utility increases are not anticipated at this time, these may need to be adjusted at a later date should energy costs increase significantly. This budget charges various county department budgets for utilities, building maintenance, major improvements and special and custodial services. The budget also receives revenue from rents paid by community groups and individuals for use of the memorial halls, from miscellaneous county departments, and from the DeWitt Enterprise Fund and the Redevelopment Agency for maintenance, custodial services and utilities.

The *DeWitt Development Enterprise Fund* includes reductions in expenditures and increases in revenues that permit the fund to absorb rising salary and benefit costs without requesting an increase in the annual General Fund contribution to this budget. Recommended services and supplies include a \$23,000 supplemental request to cover the cost of professional services associated with the Placer Legacy Program. A majority of this increase will be derived from prior year carryover funds. Supplemental requests not recommended at this time include an additional \$22,000 to reimburse salaries and benefits and \$50,000 for County Counsel services associated with Placer Legacy acquisitions.

Facility Services

Thomas Miller, Director

Also, not recommended at this time is an Energy Management and Electronic Data Interchange (EDI) program (\$30,000). The EDI program may be recommended as an adjustment to the final budget pending completion of a system compatibility analysis and further justification from the department. Recommended funding will provide for various DeWitt projects, including improvements that may be required under the American with Disabilities Act (\$120,788), HVAC and waterline replacement (\$475,000), lead and asbestos abatement (\$145,000), building demolition (\$100,000), parking and road improvements (\$120,000), water-plant removal (\$75,000), Building 430 improvements (\$100,000), DeWitt energy generation (\$200,000) and roof repairs and replacements (\$25,000). General Fund departments occupy a significant amount of space at the DeWitt Center. To offset these costs, the General Fund will contribute \$1,335,000 toward rent space and \$125,000 for utility usage for FY 2004-05. Revenues are also generated from private-property leases (\$887,850), reimbursements for maintenance projects (\$624,897) and from interest earned on cash fund balances (\$94,000). The net county cost will come from the estimated fund balance carryover from FY 2003-04 or from reserve cancellations.

The *Facility Services Administration* budget is recommended at more than the target budget level. Approved salary and benefit increases are slightly offset by reductions in special department expenses, computer and software costs, and information technology professional services. This budget charges the Facility Services divisions and the County Building Fund for administrative support and receives revenue for the same from the DeWitt Enterprise Fund, Solid Waste Management, the Western Placer Waste Management Authority, the Eastern Regional Landfill, Special District Services, Sewer Maintenance Districts and various County Service Areas to arrive at a zero net county cost.

BUILDING MAINTENANCE FUND 100 / APPROPRIATION 10650

	Actual 2002-03	Budget 2003-04	Requested 2004-05	Recommended 2004-05	Change %	Adopted 2004-05
Expenditures						
Salaries and Employee Benefits	\$ 4,260,993	\$ 4,974,853	\$ 4,916,778	\$ 4,916,778	-1%	\$ -
Services and Supplies	3,949,147	4,260,166	3,888,170	3,918,170	-8%	-
Other Charges	15,402	19,250	19,250	19,250	0%	-
Capital Assets	3,686	-	30,000	-	0%	-
Intra Fund Charges	263,770	321,050	382,377	382,377	19%	-
Gross Budget:	8,492,998	9,575,319	9,236,575	9,236,575	-4%	-
Intra Fund Credits	(3,242,463)	(3,565,802)	(3,197,397)	(3,197,397)	-10%	-
Net Budget:	\$ 5,250,535	\$ 6,009,517	\$ 6,039,178	\$ 6,039,178	0%	\$ -
Revenue						
Revenue from Use of Money and Property	\$ 32,585	\$ 36,033	\$ 32,585	\$ 32,585	-10%	\$ -
Intergovernmental Revenue	-	5,000	-	-	-100%	-
Charges for Services	1,173,319	1,452,573	1,618,582	1,618,582	11%	-
Miscellaneous Revenue	2,487	-	-	-	0%	-
Total Revenue:	1,208,391	1,493,606	1,651,167	1,651,167	11%	-
Net County Cost:	\$ 4,042,144	\$ 4,515,911	\$ 4,388,011	\$ 4,388,011	-3%	\$ -
Allocated Positions	77	77	77	77	0%	-

CORE FUNCTION: BUILDING MAINTENANCE

Facility Services

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Maintenance of County Facilities & Veteran Memorial Halls Program

Program Purpose: To provide well maintained facilities and to fund building utility services so that Placer County employees and the public are safe and comfortable in their work environment and while conducting county business.

Total Expenditures: \$2,713,203
Utility Expenditures: \$2,247,386

Total Staffing: 25.0
Total Staffing: 0

- **Key Intended Outcome:** Visitors and employees are provided with comfortable, well-maintained facilities.

Maintenance of County Facilities & Veteran Memorial Halls Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
# of maintenance service requests received annually/% of maintenance service requests responded to and completed within five working days	5,253 / 95%	4,752 / 95%	N/A
# of kilowatt-hours (KWA) used per square foot per quarter/% of change in kilowatt-hours per square foot compared to prior year	2,643,709 KWA/ N/A%	2,639,400 KWA/ 0.0016%	2,500,000 KWA/ -0.005%
# of square feet maintained per maintenance employee	53,071	53,071	N/A

Program Comments: Amount of service request received and responded to shows the daily workload of maintenance personnel and their response to calls. Number of KWA's used will reflect if energy conservation efforts reduce KWA's. Square feet maintained will reflect the growth in the County.

Custodial Services Program

Program Purpose: To provide Placer County employees and the public a clean environment, protecting their health and safety in a responsive manner.

Total Expenditures: \$3,204,543

Total Staffing: 45.0

- **Key Intended Outcome:** Employees and the public are provided a clean environment in which to conduct business.

Custodial Services Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
# of square feet of general office space maintained per custodian	N/A	24,939	20,000
# of square feet of historic/Library space maintained per custodian	N/A	23,209	20,000
% of Veteran Hall users who rate condition and cost as adequate or better	N/A	N/A	N/A

Program Comments: Twenty thousand square feet is standard for service and that increasing square feet will affect level of service and historic/library space commonly require a higher level of service due to usage.

Administration & Financial Services

Facility Services

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Building Maintenance Facility Improvements Program

Program Purpose: To provide labor, including use of inmate labor, and materials for small-scale construction projects in facilities owned or leased by the County in order to provide cost-effective facility improvements.

Total Expenditures: \$1,071,443

Total Staffing: 8.0

- **Key Intended Outcome:** Cost-effective facility improvements.

Building Maintenance Facility Improvements Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
#/% of projects completed within projected time frames	N/A	N/A	N/A
% of projects completed within project budget	N/A	N/A	N/A
# of trustee hours used per quarter	N/A	N/A	N/A

Program Comments: Efficiency in the facility improvements crew and the number of trustee hours used per quarter that shows an overall savings to the County.

PROPRIETARY FUND

DEWITT DEVELOPMENT

ENTERPRISE FUND

FUND 220600 / APPROPRIATION 06200

	Actual 2002-03	Budget 2003-04	Requested 2004-05	Recommended 2004-05	Change %	Adopted 2004-05
Operating Expenses						
Salaries and Employee Benefits	\$ 367,304	\$ 410,608	\$ 454,773	\$ 454,773	11%	\$ -
Services and Supplies	2,220,277	2,429,357	2,413,977	2,333,977	-4%	-
Other Charges	482,288	377,462	335,004	335,004	-11%	-
Other Financing Uses	(64,562)	332,862	333,747	333,747	0%	-
Appropriations for Contingencies	-	50,000	50,000	50,000	0%	-
Total Operating Expenditures:	\$ 3,005,307	\$ 3,600,289	\$ 3,587,501	\$ 3,507,501	-3%	\$ -
Revenue						
Revenue from Use of Money and Property	\$ 988,470	\$ 979,330	\$ 981,850	\$ 981,850	0%	\$ -
Charges for Services	429,120	301,417	405,317	333,317	11%	-
Miscellaneous Revenue	470,096	222,251	291,580	291,580	31%	-
Other Financing Sources	2,035,074	1,460,000	1,460,000	1,460,000	0%	-
Total Revenue:	3,922,760	2,962,998	3,138,747	3,066,747	4%	-
Net Income (Loss)	\$ 917,453	(637,291)	\$ (448,754)	\$ (440,754)	-31%	\$ -
Fixed Assets	\$ 198,587	\$ 1,360,788	\$ 1,360,788	\$ 1,360,788	0%	\$ -
Allocated Positions	5	5	5	5	0%	-

CORE FUNCTION: PROPERTY MANAGEMENT

Facility Services

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Private Property Leasing Program

Program Purpose: To identify opportunities, negotiate agreements, coordinate occupancies, and perform management services for lease of private buildings when county operations cannot be accommodated within existing county facilities.

Total Expenditures: \$900,589

Total Staffing: 0.91

- **Key Intended Outcome:** Secure leases commensurate with the average regional rate.

Private Property Leasing Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
# of existing expense leases managed (quantity/square feet)	52 / 222,258	53 / 224,258	53 / 224,258
# of existing expense leases managed per staff	17.3	26.5	17.7
# of new expense leases negotiated (all regions)	5	7	3
# average new expense lease rent (net per square foot for Roseville/Rocklin region)	N/A	N/A	N/A
% variance from Regional Median Rate (1)	N/A	N/A	N/A
% of customers who rate property-leasing services as good or better	N/A	N/A	N/A

Program Comments: An anticipated retirement, and the associated reduction in staffing, has placed a heavy lease management workload on the remaining members of Property Management. We project fewer negotiations for new leases next year, yet downsizing or departmental reconfigurations could require increased project management of tenant improvements. Staff is working to develop benchmark data for regional lease costs, and a customer survey that will help us track the quality of our Private Property Leasing services.

Property Acquisition Program

Program Purpose: To identify, evaluate, negotiate, and secure real property in support of county operations, programs and goals. (e.g. property for parks, libraries, and Placer Legacy programs)

Total Expenditures: \$534,415

Total Staffing: 0.54

- **Key Intended Outcome:** Acquire property commensurate with the appraised values.

Property Acquisition Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
# of completed property acquisitions (quantity/cost)	0 / 0	5 / \$5.91 M	3 / \$790,000
% comparison, acquisition price vs. fair market value.	N/A	100%	100%
# ongoing acquisition projects	2	6	3
# work hours expended on acquisition projects, per period	202	1,380	900

Program Comments: The new responsibilities associated with Placer Legacy acquisitions represent a significant workload that comes at a time of reduced staffing. We project a reduced number of acquisitions in the coming fiscal year. The experience gained in FY 2003-04, and the resumption of full staffing, should enable us to streamline the acquisition process.

Facility Services

Thomas Miller, Director

DeWitt Management Program

Program Purpose: To manage the DeWitt Center property in order to produce revenue to maintain infrastructure and fund capital projects in support of the development of the Placer County Government Center.

Total Expenditures: \$732,347

Total Staffing: 0.74

- **Key Intended Outcome:** Maintain 100% occupancy of available lease space.

DeWitt Management Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
# of existing revenue leases managed (quantity/square feet)	68 / 209,565	67 / 205,524	67 / 205,524
# of existing revenue leases managed per staff member	22.6	34	22.3
% of lease space occupied	95%	93%	95%
\$ amount of revenue generated	\$891,197	\$879,330	\$887,850
% change in revenue over prior year	101%	99%	101%

Program Comments: DeWitt tenancy continues to be stable, with only a minor amount of turnover. Given the nature of our many long-term tenants, we project a modest increase in annual revenue. The work that Building Maintenance performs for the DeWitt Enterprise Fund continues to maintain these leased buildings in good condition, and we project no major renovations in the coming fiscal year.

County Property Management Program

Program Purpose: To manage and lease Placer County-owned properties, sell surplus property, and research and respond to inquiries raised by the public, other agencies, and county departments.

Total Expenditures: \$2,780,938

Total Staffing: 2.81

- **Key Intended Outcome:** To manage, lease, and sell property to achieve the greatest value to the County, and to respond to inquiries in a timely fashion.

County Property Management Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
# of existing revenue leases managed quarterly	15	15	15
# of existing revenue leases managed per staff member	15	15	15
\$ total rent from leasing county-owned non-DeWitt properties	\$31,000	\$31,000	\$31,000
# of surplus properties sold	0	2	0
% comparison, sales price vs. fair market value.	N/A	100%	N/A
# of calls regarding county property that are unrelated to ongoing projects	N/A	N/A	N/A

Facility Services

Thomas Miller, Director

Program Comments: The division continues to manage a number of long-standing leases that generate this modest income for the County. We project completion of two surplus property sales in the current fiscal year, and none for the next fiscal year. A major component of this program includes our responses to citizens' questions about county property. To better illustrate this service to the public, we are beginning to collect data that will show the volume of diverse inquiries we receive.

ADMINISTRATION & SUPPORT FUND 100 / APPROPRIATION 11250

	Actual 2002-03	Budget 2003-04	Requested 2004-05	Recommended 2004-05	Change %	Adopted 2004-05
Expenditures						
Salaries & Employee Benefits	\$ 749,983	\$ 954,513	\$ 1,035,617	\$ 1,035,617	8%	\$ -
Services and Supplies	63,814	76,388	64,287	64,287	-16%	-
Intra Fund Charges	32,896	32,459	39,738	39,738	22%	-
Gross Budget:	<u>846,693</u>	<u>1,063,360</u>	<u>1,139,642</u>	<u>1,139,642</u>	7%	-
Intra Fund Credits	(418,063)	(468,937)	(490,883)	(490,883)	5%	-
Net Budget:	<u>\$ 428,630</u>	<u>\$ 594,423</u>	<u>\$ 648,759</u>	<u>\$ 648,759</u>	9%	<u>\$ -</u>
Revenue						
Charges for Services	\$ 494,906	\$ 594,423	\$ 648,759	\$ 648,759	9%	\$ -
Total Revenue:	<u>494,906</u>	<u>594,423</u>	<u>648,759</u>	<u>648,759</u>	9%	<u>-</u>
Net County Cost:	<u>\$ (66,276)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	0%	<u>\$ -</u>
Allocated Positions	12	12	12	12	0%	-

Program Purpose: Provide management and administrative support for all operating divisions of the Facility Services Department, including such tasks as processing payroll, paying invoices, maintaining personnel processes and procedures, managing contracts and maintaining capital projects. Provide financial support for the Western Placer Waste Management Authority.

Allocation of Administration and Support Expenditure Budget	Amount	Percent
Building Maintenance	\$ 192,599	17
Property Management	117,383	10
Parks & Grounds Services	139,036	12
Special District Services	159,550	14
Solid Waste Management	91,171	8
Eastern Regional Landfill	7,977	1
Capital Improvements	146,786	13
Western Placer Waste Management	125,361	11
Other	159,778	14
Total	\$1,139,642	100%